



## Five Steps to Success and Cost Saving *Step Five*

Continual Service Improvement, the opportunity to address every aspect of our IT delivery and review the success. Improvement is not always about raising the targets; it is about working smarter, not harder. Working smarter means that we then have time to increase productivity and flexibility in our resource allocation.

Lets briefly look at each stage of the Lifecycle and how continual service improvement can affect them.

If we do not review and regularly assess our relationship with the business, then you can be sure that business needs will change and IT will not be supporting the organization in the best way. Improvement of the Demand Management process and the understanding of the patterns of business behaviour will enable IT to continue to be prepared to respond to business needs. One of the key complaints in Operational teams is the lack of prioritisation between project work and the day job. Improvement in the strategic area of Service Portfolio Management would assist with the allocation of resource across the overall IT service provision. Financial management improvements in capturing and reporting on costs can only assist with our strategic co-operation with the business. Improvements in all of these areas will assist with cost saving - particularly in the processes of Demand Management and Portfolio Management, as both of these areas will directly impact the use of potentially expensive human resources in the most effective manner.

Improvements in the Design stage of the Lifecycle can only be of benefit to the business. Better speed to market, improvement in repeatable measurable processes for critical factors such as Availability, Capacity, Service Continuity and Security, will provide better, more cost effective services for our customers. Remember these are the warranty processes, and form a key part of managing value. Processes such as Service Level Management and Supplier Management have improvement at their core. Service reviews with customers and suppliers should always be a source for improvement. The balance between supply and demand, cost and quality are key factors for consideration in this Lifecycle stage. More effective management of these requirements, the engagement of a cost effective approach to the design of services, will decrease the overall cost of introducing the service into production.

Effective and efficient Transition will provide considerable decrease in the costs of post implementation re-work, and potential re-design. By reviewing and acting on post implementation results and findings, there is a significant capability for reducing costs in the production environment. This is often a difficult sell to the business, as increasing the emphasis on transition may delay the time to operational readiness. But in order to provide services that are delivered as functional and meeting the requirements, this is an important stage. The processes of change and release and deployment management ensure that proper risk assessments are carried out during the authorisation for the change and its deployment. Ensuring that these areas are reviewed and the lessons learnt from any unsuccessful changes are captured and improvements actioned, can achieve prevention of poor assessments.

The better equipped the organization is to carry out successful changes, the less impact there will be in the operational environment. Applying Pareto's law to our production environment demonstrates that the top 20% of issues cause 80% of the workload, and successful implementation of changes to correct these will reduce our operational costs significantly.

Operational improvement in reduction of downtime, through the Problem Management process addressing root cause of outages, should be part of the business as usual activity for this stage of the Lifecycle. Further improvements may be achieved through the actions undertaken in Availability Management, by improving the ability to detect and resolve incidents. The aim of all improvements should be to decrease downtime, and by so doing, reduce the overall cost of delivering service.

Continual Service Improvement emphasises the need for data capture, analysis and utilisation of the outcomes to deliver improvements in all areas. This is often attempted by initiating an improvement project or programme, based on the ITIL framework or on IT Service Management practices. The most common complaint for service management improvements is that there is an initial success, but the momentum is lost and future expected benefits are not achieved. There are many reasons for this, but the major factor is that to accompany the improvement initiative, there must also be a programme of cultural change to support and embed the required behaviours into the organization. In order to achieve the success desired in cost savings, new practices must be adopted whole heartedly in both the IT department and across the entire organization. Consider the approach as a project, although unlike a project, which should have a definite end, this will be an on-going activity. Despite this, the application of a project management approach can be useful when applied to distinct improvement activities.

As with all projects, there should be a cost justification and an expectation of spend to provide the required results. Improvement has a cost, and to deliver successfully, it will be necessary to seek expert guidance; in just the same way as technical expertise is required to design correctly functioning infrastructure, it is advisable to seek specialist leadership for the programme. It is equally important to gain the highest level of support within the organization for the initiative, so that the drive for cultural change is lead from the top. The specialist leadership should be closely associated to the high level sponsor, so that the programme can be seen as a critical and important part of the project workload for the organization.

Following the ITIL Service Lifecycle will help your business achieve the cost savings that are so important in these financially challenging times, but in order to deliver these benefits, there will be justifiable financial outlay. IT Service Management improvement should always deliver cost savings, if managed effectively, with the right skills and leadership.

So, in summary, these five articles have followed the ITIL Service Lifecycle and provided a brief overview of how each stage of the Lifecycle can provide cost benefits to your organization.

The question you should ask now is *"Can you afford not to implement an improvement programme?"*



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